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C O N F I D E N T I A L SECTION 01 OF 03 ISLAMABAD 002940

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TAGS: [PGOV](#) [PK](#) [PREL](#)

SUBJECT: AFTER PRESIDENTIAL ELECTION; ACTION WILL MOVE TO
PUNJAB

REF: ISLAMABAD 2850

Classified By: Anne W. Patterson for reasons 1.4 (b), (d).

¶1. (C) Summary: Pakistan's electoral college will choose the country's next president on September 6; we expect the new president to be sworn in on September 7. Pakistan People's Party (PPP) Co-Chair Asif Zardari is confident of victory and has been working overtime to ensure he receives the maximum votes possible. Last-minute campaigning is still underway, coupled with an announcement that several deposed Supreme Court justices may be "re-appointed" as early as this election eve. But the secret ballot could play with the final tally as Zardari "dissenters" in the PPP weigh their options. Musharraf's party is disintegrating as its "forward bloc" cuts individual deals with both the PPP and Nawaz Sharif's party. Resigned that Zardari will win at the federal level, Nawaz has turned his attention to retaining his hold over Punjab government. Zardari is using several court cases to try to keep Nawaz cooperative. End summary.

Pro-Zardari Camp Predicts Landslide

¶2. (C) Pakistan's electoral college (Senate, National Assembly, and four Provincial Assemblies) will decide by secret ballot September 6 who will succeed former President Pervez Musharraf. To win, a candidate needs a majority of the votes cast. The Pakistan People's Party (PPP) candidate, Co-Chair Asif Zardari, is set to win by a comfortable majority against Zaman Siddiqui of the Pakistan Muslim League-Nawaz (PML-N) and Mushahid Hussain of the Pakistan Muslim League (PML). The Election Commission conducts the presidential election and is expected to announce results late on September 6. We expect the new president will be sworn in as early as September 7, although no official program has yet been announced.

¶3. (C) Zardari has been counting and courting votes, and trying (unsuccessfully) to convince his rivals to withdraw from the race. Reportedly, Zardari would like to receive as many as 500 votes of the 702 up for grabs. The PPP and its allies control over half of the National Assembly votes (342) but less than half of the votes in the Senate (100). Since each province has an equal number of votes regardless of size, PML-N's popularity in the Punjab is outweighed by PPP's support in Sindh, the Northwest Frontier Province (NWFP), and Balochistan.

14. (C) Muttahida Quami Movement (MQM) leader Altaf Hussain confirmed August 31 that his party would stick by its nomination of Zardari. MQM controls 31 votes at the national level and one-third of the Sindh Assembly. In return, MQM expects 3 to 4 ministries in the federal government.

15. (C) Jamiat Ulema-e-Islam's Fazlur Rehman, who controls 19 votes in the center, announced his support for Zardari only after extensive wrangling. Rehman claims Zardari promised to suspend fighting in Bajaur Agency (Federally Administered Tribal Area (FATA)) and allow the reopening of an extremist mosque/madrassah in Islamabad. PPP sources, including the Ministers of Information and Interior, deny that Zardari has given JUI-F anything more than a commitment to discuss these issues.

16. (C) Pressure from FATA parliamentarians (18 votes in the center) convinced the GOP to announce a "suspension" of military operations in Bajaur, at least until September 6. But the GOP never really suspended fighting; thus, most FATA parliamentarians reportedly will abstain from voting for Zardari. Tribal leader Munir Khan Orakzai said his group reached this decision after "a non-convergence of views with the PPP-led federal government over military operations in the frontier."

17. (C) The PPP faction led by former Interior Minister Aftab Sherpao (PPP-S), joined with the PPP in the ruling NWFP coalition, is expected to vote for Zardari in this federal level contest. Similarly, Baloch nationalist parties -- BNP-Awami and Jamhoori Wattan Party (JWP) -- part of the

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provincial coalition with the PPP in Balochistan, will support Zardari.

Secret Ballot: The X Factor

18. (C) Zardari is concerned about defections from his own PPP. According to some reports, PPP members have been told to use their mobile phones to photograph their marked ballots as proof they backed Zardari. Estranged PPP Vice Chair Amin Faheem has recently instructed his adherents to vote for Zardari "and make sure you have a witness," according to PPP contacts.

PML's Disappearing Act?

19. (C) The other significant unknown is how legislators from the PML (Musharraf's party) will vote. There has been discussion of a "forward bloc" since the February 18 general elections; it is only since Nawaz's withdrawal from the coalition, however, that serious deal making began. PML President Chaudhry Shujaat has been traveling the country, essentially going door-to-door, to convince possible defectors that he can negotiate a better deal for the entire party, either with the PPP or PML-N, than they can individually. Even party loyalists admit that Shujaat's efforts have failed, though no one is quite sure how many PML members will defect to PPP or PML-N in the presidential voting.

110. (C) Shujaat told PolCouns September 5 that his main goal was to keep the identity of the party intact for the next battle over control of the Punjab Provincial Assembly. PML was open to working with the PPP but did not want to be associated with Zardari. The PML also wants to avoid responsibility for the tough economic decisions facing the government. Shujaat said he asked Zardari, "who would you rather have in opposition, us or Nawaz?"

111. (C) PPP's Deputy Secretary General Sheik Mansoor revealed that Attorney General Latif Khosa met with Shujaat on August 31 to ask the PML to officially abandon Mushahid's candidacy, but offered nothing in return. Mansoor contended that the

PPP did not need the PML stalwarts, who only numbered about ¶20. Shujaat told PolCouns the PML would remain in the opposition at the center, negotiating its positions on a case-by-case basis.

¶12. (C) The PML also continues to negotiate with Nawaz's party but will not merge, according to Shujaat. He believed, actually, that Nawaz might rejoin the PPP-led coalition, if only to stop Zardari from pushing for a court ruling against his brother Shahbaz Sharif's eligibility to retain his job as Chief Minister in Punjab. Shujaat noted that Zardari already has taken away Nawaz' two main issues -- Musharraf's ouster and the judiciary's restoration. Shujaat saw the rival center-right PML-N as the biggest threat to his party and would prefer to see them allied with the coming "disastrous" performance of the PPP government.

PML-N Focused on Punjab
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¶13. (C) PML-N Spokesman Siddiq-ul-Farooq admitted to PolOff September 3 that his party was resigned to Zardari's presidential victory. He revealed that Nawaz' kitchen cabinet was split on whether to even negotiate with PML and that the two leagues could form a coalition "only if the PML publicly repented for backing Musharraf." Farooq confirmed that the religious party Jamaat-Islami, which controls five votes, would support PML-N presidential candidate Siddiqui.

¶14. (C) Whether Shujaat formed a coalition with another party or not, Farooq was certain the PML would disappear; its members were deserting the party for the PPP at the federal level and were going over to his PML-N in Punjab. PML-N expected Shujaat to have much more bargaining power once attention turned away from the federal level contest for president. Farooq confirmed that his party was already negotiating over Lahore not Islamabad; PPP's Mansoor insisted

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that as many as 25 PML Punjab Assembly members were now "free agents," and his party would also make a reasonable bid for their provincial affections.

¶15. (C) On the PML-N's relationship with the PPP, Farooq said his party felt "totally betrayed by Zardari." He claimed, however, that PML-N's Sharif had not yet authorized him to "go hard" on the PPP. (Note: This conforms with what PML-N leaders Ishaq Dar and Ahsan Iqbal have told us. To the press, Nawaz has been careful not to completely close the door to PPP cooperation and has not publicly criticized Zardari's nomination.) The red line, Farooq added, was if the PPP seriously threatened the PML-N's control of Punjab.

¶16. (C) Farooq noted that Zardari is using two levers to try to control Nawaz, even in Punjab. The Courts have yet to rule on challenges both to Nawaz's eligibility to be a federal parliamentary candidate (legally, convicted felons cannot run) and to Shahbaz's eligibility to be Chief Minister of Punjab (because of a technical violation of election laws). Whether by mistake (or more likely, by design), the National Accountability Board (NAB) this week re-opened several old cases against Nawaz and Shahbaz Sharif. This prompted accusations about political vindictiveness, causing the PPP to quickly backtrack. Law Minister Farooq Naek indicated that the NAB itself would be disbanded. Prime Minister Yousuf Gilani said September 4 that the GOP would not pursue NAB cases against the Sharifs, though was silent whether these cases would be transferred to another entity. PML-N's Farooq was not convinced.

¶17. (C) Comment: Zardari's election could calm the surface of political waters and restore some investor confidence in Pakistan's economy. Zardari told us that his first task will be to fill vacant economic cabinet positions and move forward on an immunity package for Musharraf (although what form this package will take remains unclear). Under the surface,

however, the situation remains volatile because the PPP's governing margin is small. The PPP/PML-N battle will now move to Punjab. End comment.

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